



Deputy Directors  
MICHAEL D. FORMBY  
FRANCIS PAUL KEENO  
BRIAN H. SEKIGUCHI  
JIRO A. SUMADA

IN REPLY REFER TO:

**STATE OF HAWAII  
DEPARTMENT OF TRANSPORTATION  
869 PUNCHBOWL STREET  
HONOLULU, HAWAII 96813-5097**

Board of Land and  
Natural Resources  
State of Hawaii  
Honolulu, Hawaii

**CONSENT TO SUBLEASE RETAIL CONCESSION  
DFS GROUP L.P. TO MAUI DIVERS OF HAWAII, LTD.  
HONOLULU INTERNATIONAL AIRPORT**

**OAHU**

The Department of Transportation (DOT) is seeking the Board's consent for a sublease between the concessionaire under the Retail Concession Agreement at Honolulu International Airport and Maui Divers of Hawaii, Ltd.

**PURPOSE:**

To sublease a portion of the concession premises.

**LESSEE/SUBLESSOR (APPLICANT):**

DFS Group, L.P.

**LEGAL REFERENCE:**

Chapters 102 and 171, Hawaii Revised Statutes, as amended.

**SUBLESSEE:**

Maui Divers of Hawaii, Ltd.

**LOCATION AND TAX MAP KEY:**

Honolulu International Airport, Terminal Complex, 1<sup>st</sup> Division, 1-1-03: Portion of 1  
Honolulu International Airport, Honolulu, Island of Oahu, Hawaii.

ZONING:

State: Urban  
County: Industrial (I-2)

LAND STATUS:

Section 5(a) and 5(b), Hawaii Admission Act – Ceded and Non-Ceded  
(Concession encompasses both ceded and non-ceded land. Space to be sublet is non-ceded.  
DHHL 30% entitlement lands Yes \_\_\_ No X

CONCESSION AGREEMENT TERM AND PREMISES:

Concession Agreement No. DOT-A-09-0002 for the Retail Concession at Honolulu International Airport commenced on April 1, 2009, and continues through March 31, 2014.

Area is comprised of the following:

Building 310, Space No. 203A.  
Building 341, Space Nos. 202C, 207D, 245, 255B, C, D and E.  
Building 342, Space Nos. 279, 281A, B, C, D and E. Space Nos. 282 and 220C1.  
Building 344, Space Nos. 208C and D. Space No. 245, 278A & 295A and B.  
Building 346, Space No. 269A.  
Building 350, Space Nos. 217, 218A, 247, 248 and 249A.  
Building 360, Space No. 261 and 262.  
Building 363, Space No. 218A.  
Building 373, Space No. 264 and 265.  
Building 360, Storage (Non-Sales) Space No. 207C.

SUBLEASE TERM AND PREMISES:

Term commences on April 1, 2009, and continues through March 31, 2014.

The Premise is comprised of Building 342, Space No. 281D, consisting of an area of approximately 979 square feet as shown highlighted on Exhibit F, attached.

USE:

Sales of Maui Divers of Hawaii, Ltd. merchandise as part of the Retail Concession at Honolulu International Airport.

CONCESSION FEE:

Through the end of the Concession Agreement term in March 31, 2014, the fee shall be the greater of the minimum annual guarantee or 20% of gross receipts.

SUBLEASE FEE:

As set forth in the Maui Divers of Hawaii Sublease Agreement, the sublease fee shall be the greater of the minimum fee of \$14,375.00 per month or 23% of gross receipts.

IMPROVEMENTS:

Applicant is required to make improvements at no less than \$1,495,000.00 for the Premises comprising of the sales space. The space to be occupied by Maui Divers of Hawaii, Limited under the sublease is a part of the sales space.


REMARKS:

The DOT has reviewed the sublease and sublease fee and determined that the sublessee's obligation is reasonable with no excess sandwich profit to be gained by the Applicant (lessee/sublessor).

RECOMMENDATION:

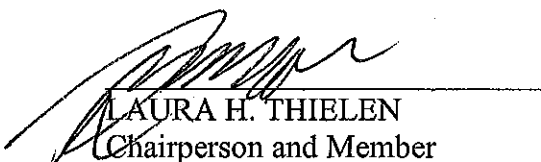
That the Board authorizes the DOT to consent to the sublease as hereinabove outlined so that the DOT may proceed to process the consent to allow the sublease to be consummated, subject to the review and approval of the Department of the Attorney General.

Respectfully submitted,

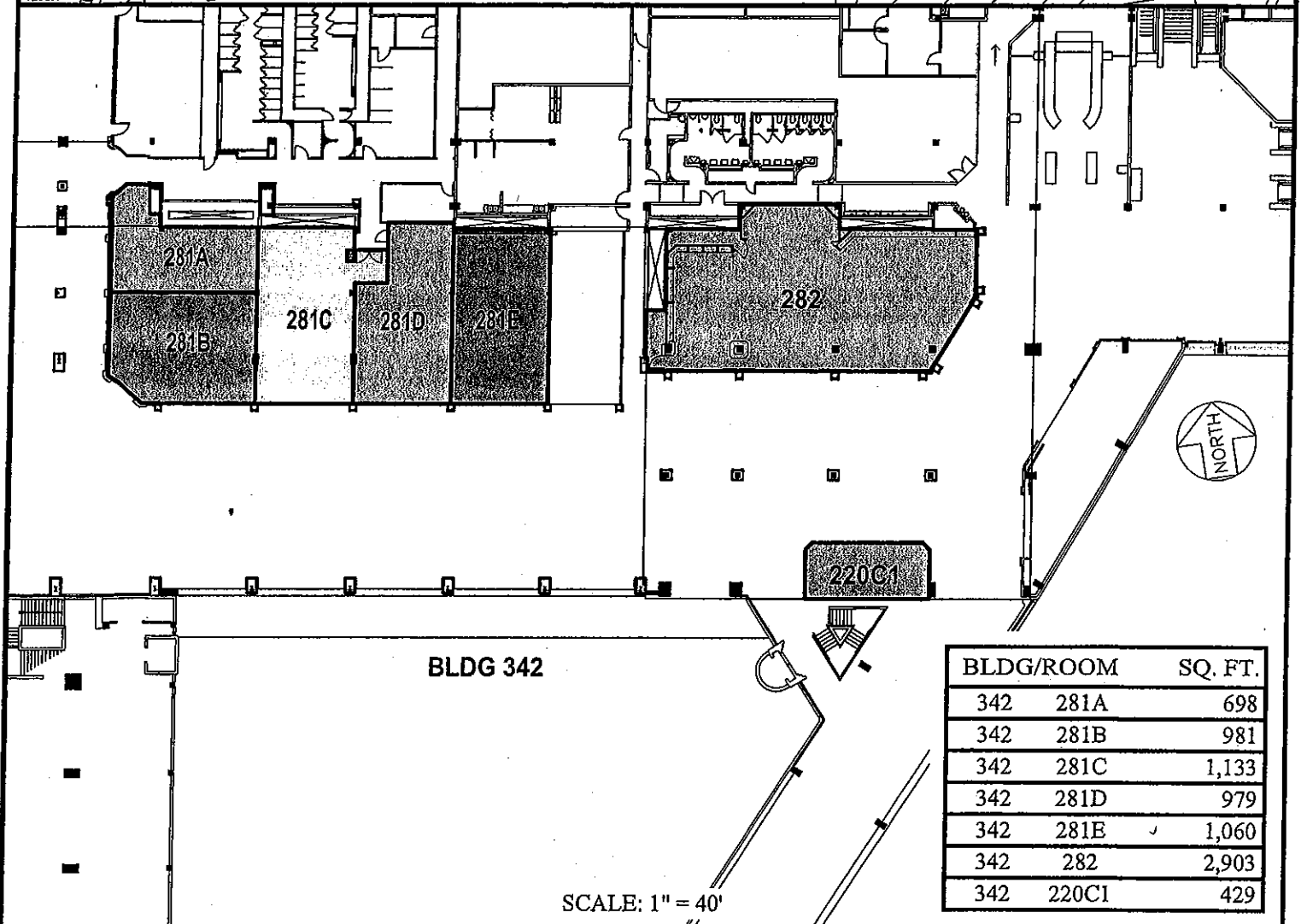
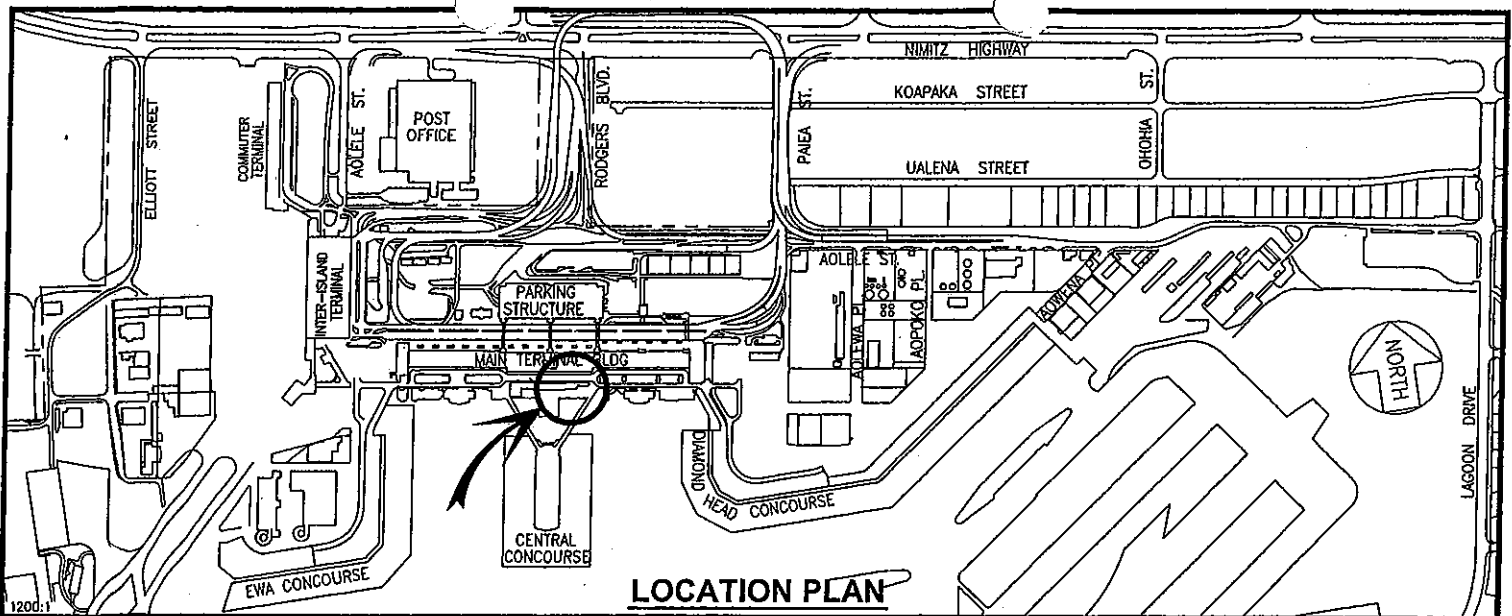


BRENNON T. MORIOKA, Ph.D., P.E.  
Director of Transportation

APPROVED FOR SUBMITTAL:



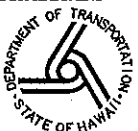
LAURA H. THIELEN  
Chairperson and Member



BLDG/ROOM	SQ. FT.
342 281A	698
342 281B	981
342 281C	1,133
342 281D	979
342 281E	1,060
342 282	2,903
342 220C1	429

DATE : SEPTEMBER 2008

EXHIBIT: **F**



Airports Division

RETAIL CONCESSION

BUILDING 342  
WAITING LOBBY  
SECOND LEVEL

342281A-E  
342282,220C1

PLAT A2

HONOLULU INTERNATIONAL AIRPORT

N:\AIRPORTS\HNL\_HONOLULU\CAD\PM\RETAIL CONCESSIONS SEPTEMBER 2008\EXHIBIT\_F.DWG